

## **ATTACHMENT 2**

### **STRATOS COMMUNICATIONS, INC.**

Application for Authorization under Section 214 of the Communications Act to Provide BGAN Mobile Satellite Service

#### **Question 14 - 10% or greater direct or indirect equity owners in Stratos Communications, Inc. and interlocking directorates with foreign carriers.**

Stratos Communications, Inc. ("Stratos") is a wholly owned by Stratos Holdings, Inc. ("Stratos Holdings"), a Delaware company with offices at 6901 Rockledge Drive Suite 900, Bethesda, MD, 20852. In turn, Stratos Holdings is wholly owned by Stratos Wireless, Inc. ("Stratos Wireless"), a company incorporated under the laws of Canada with offices at 34 Glencoe Drive, Donovan's Business Park, Mount Pearl, Newfoundland AIN 4S8, Canada. Stratos Wireless's primary business is telecommunications. Stratos Wireless is 100% owned by Stratos Global Corporation ("Stratos Global"), a Canada corporation with offices at 34 Glencoe Drive, Donovan's Business Park, Mount Pearl, Newfoundland AIN 4S8, Canada. Stratos Global's primary business is also telecommunications. Stratos Global is a public company that is widely-held by primarily U.S. and Canadian shareholders, with all of its shares trading on the Toronto Stock Exchange. As a widely-held company, no one shareholder is in control of Stratos Global and there are no individual shareholders of Stratos Global with a 10% or greater interest.

Stratos does not have any interlocking directorates with foreign carriers.

#### **Question 15 - Responses to 47 C.F.R. §§ 63.18(d), (e)(3) and (g)**

##### § 63.18(d)

Stratos has previously received authority under Section 214 of the Communications Act. In ITC-214-20000426-00773, Stratos received authority to provide Inmarsat M4 land mobile satellite services using the Inmarsat Ltd Satellite System's Third generation satellites in the East and West Atlantic Ocean Regions. In ITC-214-20010220-00657, Stratos received authority to provide Inmarsat-B,-M, Mini-M, and -C land mobile satellite services using the Inmarsat Ltd Satellite System's Third generation satellites in the East and West Atlantic Ocean Regions. In ITC-214-19980121-00028, Stratos received global facilities-based authority and global resale authority. In ITC-214-19980326-00205, Stratos received authority to provide Inmarsat Standard A, B, C, and M services in the Atlantic Ocean Region, both east and west, Pacific Ocean Region, and Indian Ocean Region, for both the ship-to-shore and shore-to-ship directions. Finally in ITC-214-19980828-00591, Stratos received global facilities-based authority and global resale authority with dominant carrier regulations on the U.S.-Canada route. Stratos is no longer regulated as dominant on the U.S.-Canada route. *See International Authorizations Granted, Public Notice, DA 04-2251 (rel. July 22, 2004).*

##### § 63.18(e)(3)

Stratos requests Section 214 authority to operate as a facilities-based and resale common carrier provider of domestic and international mobile satellite services via the Inmarsat I-4 satellite located at the 52.75° W.L. orbital location. By its signature to this application, Stratos certifies that it will comply with the terms and conditions in 47 C.F.R. §§ 63.21, 63.22, and 63.23.

The proposed services to be offered by Stratos include the Inmarsat Broadband Global Area Network ("BGAN") service originating and terminating in the United States and abroad. The BGAN services will allow consumers to obtain enhanced Mobile Satellite Services ("MSS") at much higher data transmission speeds than current MSS product offerings. This will allow the use of high bandwidth applications that are either not supported or offer limited functionality with existing MSS offerings.

Inmarsat's BGAN service will be provided using newly developed Inmarsat-4 ("I-4") satellites that offer much greater traffic-bearing capacity than the previous generation of Inmarsat satellites and therefore allow for the provision of broadband satellite service. The first of these I-4 satellites was launched on March 11, 2005 to the 64° E.L. orbital location over the Indian Ocean. The second I-4 satellite, which will be used to provide service in the U.S., is scheduled to launch in the fourth quarter of 2005 and will be located at the 52.75° W.L. orbital location.<sup>1</sup> With these two satellites, the BGAN service will cover approximately 85% of the earth's surface.<sup>2</sup> After a period of in-orbit testing, Inmarsat expects that the I-4 satellite to be located at the 52.75° W.L. orbital location to be ready to provide BGAN service in the United States by the first quarter of 2006 and is expected to be ready to provide other services before the initiation of BGAN service.

The BGAN service supports both Internet Protocol packet-switched data and circuit-switched applications. The service will allow data transfer speeds between 384 Kbps to 492 Kbps in the downlink direction and 240 Kbps to 492 Kbps in the uplink direction, depending on the type of MET. These higher data transmission rates will allow Stratos customers to have access to email, local area networks, the Internet, intranet/extranets, video conferencing services, video on-demand, and voice communications from almost anywhere in the world.

In sum, the BGAN service will offer MSS customers the ability to access broadband service from everywhere in the U.S. and most of the world at data transmission speeds unmatched by today's MSS offerings. This will allow MSS consumers to use high bandwidth applications like video conferencing, video on demand, and networking applications that are not fully supported by existing MSS offerings. For these reasons, the grant of this application is in the public interest.

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<sup>1</sup> Stratos has filed a separate application for blanket earth station authority to operate mobile earth terminals ("METs") that will access the Inmarsat I-4 satellite to be located at the 52.75° W.L. orbital location.

<sup>2</sup> A third Inmarsat-4 satellite is under construction.

§ 63.18(g)

The facilities-based authority under Section 63.18(e)(3) requested in this Application is categorically excluded from environmental processing under Section 1.1306 of the Commission's Rules. Therefore, an environmental assessment pursuant to Section 1.1311 of the Commission's rules is not necessary.